

#### Neighborhood Economic Development Advocacy Project

www.nedap.org

#### **NEDAP's Mission**

To promote community economic justice

 To eliminate discriminatory economic practices that harm communities and perpetuate inequality and poverty

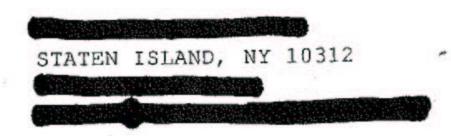
## Immigrant Financial Justice Project MAJOR FINDINGS - NYC

- Strong desire among immigrants to tap into financial services
- Barriers: costs, documentation, language, misinformation, concerns re IRS/ICE
- Lack of access = costly/unsafe arrangements
- Immigrants targeted for predatory loans
- Financial access linked to safety, worker rights, public benefits access...

# Example: Truth in Lending Disclosure 2/28 Interest-Only ARM

Type of Loan

ADDRESS CITY STATE / ZIP PROPERTY



### ANNUAL PERCENTAGE RATE The cost of your credit as a yearly rate.

12.566 %

#### FINANCE CHARGE The dollar amount the credit will cost you.

\$ 1,160,881.10

Amount Financed
The amount of credit provided
to you or on your behalf,

\$ 381,567.46

#### Reasons for not having account

- 1. Not enough money/Can't afford 26%
- 2. Unable to meet ID requirements 23%
- 3. Said they did not need/want one 21%

#### Of those without accounts:

- 58% never tried to open account
- 26% had account in past
- 17% tried, but were turned down

#### **EXPANDING ACCESS**

- > Flexible ID Requirements
  - One form of government-issued ID
  - Consular IDs (e.g. matrícula consular)
  - Introductory letter from CBOs
  - Organizational IDs
  - Individual Taxpayer Identification Number

#### Documents held by respondents

Passport	82%
Birth certificate	45%
Driver's license	42%
Voter card	19%
ITIN	<b>17%</b>
Consular ID	13%

(NYC Immigrant Financial Justice Network surveys – 2006)

#### **EXPANDING ACCESS** (cont'd)

- Low and transparent costs
- Consistent policies & procedures
- Tailored financial education
- > Tax/ITIN assistance
- Credit-builder loans
- Clarity re PATRIOT ACT v. IRS rules
- Regulatory consistency